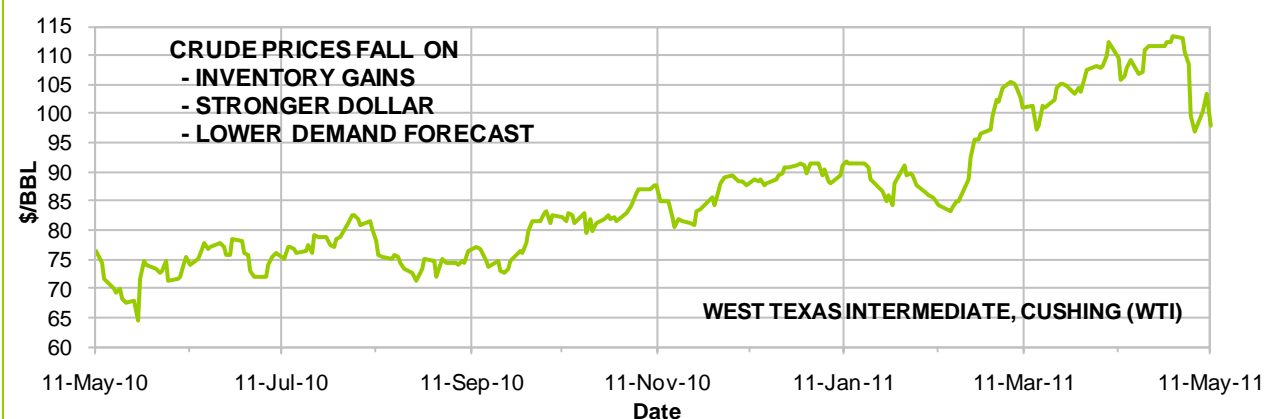


Crude Oil



After growing by 9.6 million barrels over the previous 2 weeks, crude inventories grew by another 3.8 million barrels this past week. The gain was 3 times the 5-year average and 2 and ½ times the expected increase. Inventories have improved to 2.2% above last year and 5.9% above the 5-year average. They are at their third highest level ever for this date.

Larger than expected crude inventory gains, a stronger dollar, a bearish crude demand forecast, and an easing of fears that flooding on the Mississippi will affect fuel supplies sent crude prices crashing this week. Futures and spot prices declined by almost \$11 for the week and by over \$14 for the past two weeks. Futures prices settled under \$100 at \$99.26, \$15.29 (18.2%) higher than a year ago. Spot prices fell to \$97.76, \$21.41 (28.0%) higher than last year. Futures and spot prices had risen by more than \$30 per barrel over the past 5 months. Prices are 32% (\$47) below their 2008 peak prices.

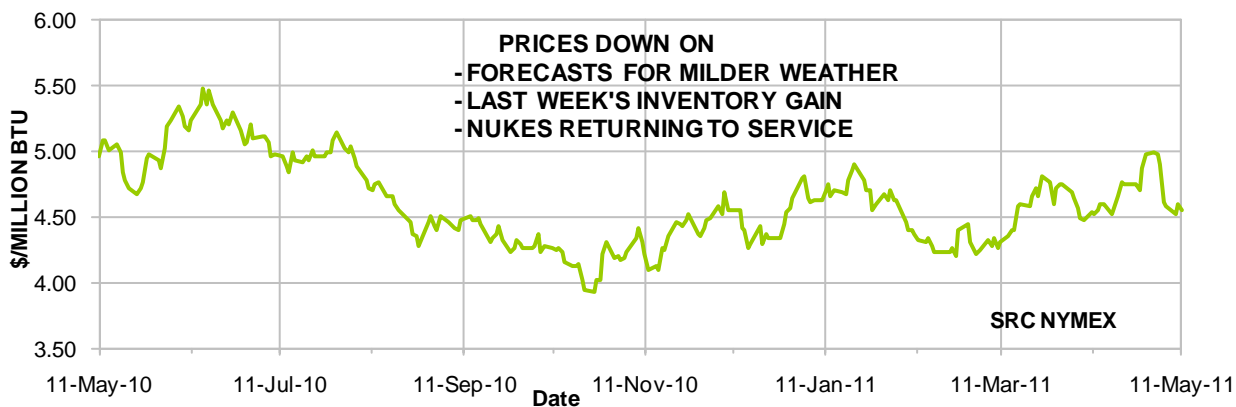


Natural gas



Natural gas inventories grew by 70 BCF this past week. This was slightly less than the expected 71 BCF gain and 22% less than the 5-year average gain of 89 BCF. With a stock injection of 92 BCF for this time period last year, this week's 1,827 BCF inventory level has worsened to 12.0% below last year's record high level and to 2.0% below the 5-year average. Cumulative injections this year are running 42% below last year and 19% below the 5-year average.

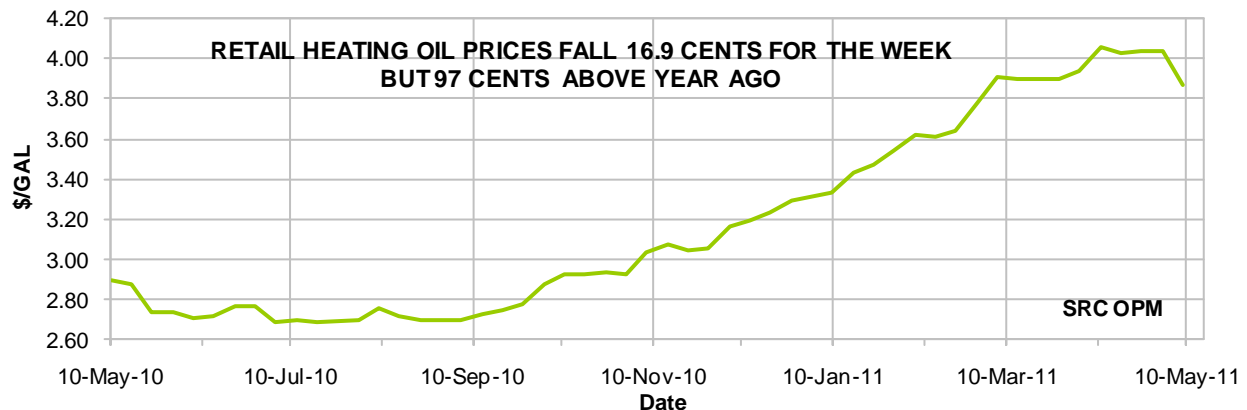
Natural gas prices fell this past week because of forecasts for milder weather, the previous week's bearish inventory report, and nukes returning to service. Natural gas futures prices fell by 35.4 cents per million BTU and spot prices fell by 45.0 cents. At \$4.545, futures prices are 42.2 cents (8.5%) lower than a year ago and 65.9% below their 2008 peak. Spot prices are at \$4.220 per million BTU. They are only 7.0 cents (1.7%) higher than a year ago but are 68.3% below their 2008 peak. According to census data, 31% of dwelling units in Connecticut heat with natural gas.





Inventories fell by 0.84 million barrels this past week. The 5-year average is a gain of 1.0 million and expectations were for no gain or loss for the week. Inventories are at their third highest level ever for this date. At 12.5% above the five-year average they trail only 2009 and 2010.

Distillate prices have followed crude lower the past 2 weeks. Futures prices fell by 34.6 cents and settled at \$2.963/gal, 69.7 cents (30.8%) above last year but \$1.232 (29.4%) below 2008's peak. Spot prices fell by 33.3 cents. They settled at \$2.902/gal, \$0.784 (37.1%) above last year but \$1.178 (28.9%) below the 2008 peak. Retail prices fell by 16.9 cents this week. Prices are now at \$3.864/gal, the highest ever for this date and \$0.966 (33.3%) above a year ago. Prices are only \$0.902 (18.9%) below their 2008 peak. The highest price in this week's survey was \$4.549 and the lowest was \$3.359. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
10-May-10	3.051	3.599	2.500	2.842	3.199	2.499	2.986	3.599	2.600
25-Apr-11	4.148	4.799	3.740	4.066	4.399	3.649	3.931	4.070	3.790
2-May-11	4.143	4.799	3.740	4.042	4.399	3.649	3.925	4.070	3.690
9-May-11	3.966	4.549	3.540	3.904	4.399	3.449	3.728	4.040	3.380
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
10-May-10	2.835	2.999	2.699	2.985	3.099	2.850	2.819	2.959	2.669
25-Apr-11	4.027	4.129	3.899	4.078	4.199	3.840	3.918	4.029	3.789
2-May-11	4.043	4.149	3.899	4.108	4.199	3.940	3.911	3.999	3.789
9-May-11	3.851	3.989	3.599	3.941	4.099	3.690	3.751	3.899	3.539
	NEW HAVEN								
	AVG	HIGH	LOW						
10-May-10	2.812	2.999	2.499						
25-Apr-11	3.978	4.249	3.659						
2-May-11	3.986	4.269	3.679						
9-May-11	3.808	4.199	3.359						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning May 9, 2011. Figures reflect per gallon prices without discount.

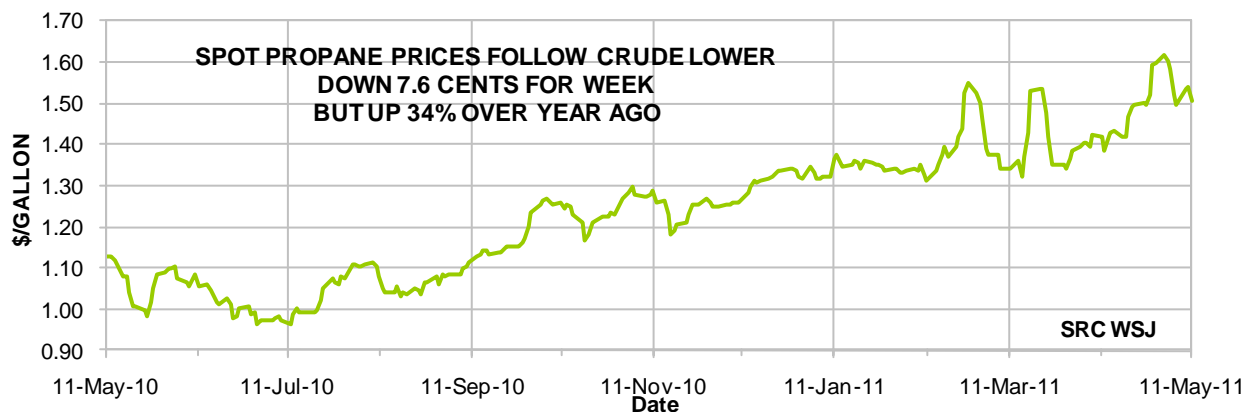
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Inventories rose by 1.0 million barrels this week as increases in production and imports were tempered by an increase in demand. This week's inventory growth compares to the 5-year average weekly gain of 1.6 million barrels and an increase last year of 2.6 million. Inventories have further deteriorated to 25.4% less than last year and to 20.4% below the 5-year average.

Spot propane prices followed natural gas prices downward this past week, declining by 7.6 cents/gallon. They had increased by 24.4 cents over the previous 5 weeks and by 33.8 cents over the past 5 months. At \$1.508 per gallon, spot prices are 38.1 cents (33.9%) higher than a year ago but they are 23.8% lower than their peak 2008 price. The usual reporting of Connecticut retail propane heating prices has been discontinued for the season but will resume in October. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



A small increase in production, a gain in imports, and a further price induced decline in demand led to a surprisingly robust 1.3 million barrel growth in inventories. The 5-year average is a decline of 0.6 million and a 0.75 decline was expected. Inventories levels have improved slightly to 7.5% below last year and to only 1.3% less than the 5-year average.

Futures and spot prices followed crude downward the past 2 weeks, falling by 22 cents and by 10 cents/gal this past week and by 31 and 21 cents over the past 2 weeks. Futures are at \$2.854, \$0.672 (30.8%) higher than last year but \$0.758 (21.0%) below their 2008 peak. Spot prices fell to \$3.118/gal. They are \$1.013 (48.1%) higher than a year ago. Spot prices are 8.6% (\$0.294) below their 2008 peak. Connecticut retail prices were flat this past week. At \$4.268, prices are \$1.180 (38.2%) higher than a year ago. They have risen by \$1.281 in the past 6 months and are only 12.2 cents below their 2008 all time high of \$4.390.

